

§ 223.230

(h) The type of contract, permit, or other authorizing instrument to be used for the sale;

(i) The termination date and normal operating season, if any, of the contract, permit, or other authorizing instrument;

(j) The amount of performance bond required; and

(k) Such additional information about the sale as the Forest Service deems appropriate in order to encourage bidders to perform on-site investigations.

§ 223.230 Bid restriction on resale of incomplete contracts, permits, or other instruments.

In any resale of special forest products remaining from a previous sale, the Forest Service shall not consider a bid submitted by a person who failed to complete or defaulted the original contract, permit, or other instrument authorizing the sale, or from any affiliate of such person, except when such consideration serves the public interest.

§ 223.231 Bidding methods.

The Contracting Officer or designated forest officer shall offer advertised sales of special forest products through sealed bid or sealed bid followed by oral auction. The method selected shall:

(a) Ensure open and fair competition;

(b) Ensure that the Federal Government receives minimum rates or appraised value, whichever is higher;

(c) Be consistent with the National Forest Management Act and other applicable federal laws;

(d) Require, as a prerequisite to participation in an oral auction, that a bidder submit a written sealed bid at least equal to the minimum acceptable bid price(s) specified in the prospectus. The Forest Service shall not accept a bid at oral auction that is less than the bidder's initial sealed bid; and

(e) Specify the use of sealed bids or a mix of bidding methods in the affected area where there is a reasonable belief that collusive and/or abnormal bidding practices may be occurring.

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§ 223.232 Disclosure of relation to other bidders.

The Forest Service may require any prospective bidder for special forest products to disclose its relationship with other potential bidders or operators. Such disclosure may include a certified statement listing:

(a) Stockholders or members of the bidder's firm;

(c) Officers;

(d) Members of the board of directors; or

(e) Holders of bonds, notes, or other types of debt.

AWARD OF CONTRACTS, PERMITS, OR OTHER AUTHORIZING INSTRUMENTS

§ 223.233 Award to highest bidder.

(a) The Forest Service shall award contracts, permits, or other authorizing instruments for advertised sales as follows:

(1) The Forest Service will award a special forest products sale to the responsible bidder that submits the highest bid that conforms to the sale conditions in the prospectus.

(2) If the highest bidder cannot meet the conditions for the sale, as specified in the prospectus, the Forest Service may:

(i) Reject all bids and reoffer the sale, or

(ii) Offer the award at the high bid level to the next highest qualified bidder until the award is accepted or refused by all of the conforming bidders.

(iii) In the event of a tie between two or more responsible high bidders submitting conforming bids, the Forest Service shall award the sale by drawing of lots.

(iv) If no bids meet the specified conditions in the sale's prospectus, or if there are other irregularities in the bidding process, the Forest Service may reject all bids, and, at its discretion, reoffer the sale.

(b) [Reserved]

§ 223.234 Determination of responsibility.

(a) A Contracting Officer shall not award a contract, permit, or other instrument authorizing the sale of special forest products to a declared high